

EXHIBIT 41

https://www.theweeklyjournal.com/business/832-million-in-attorney-fees-for-puerto-rico-bankruptcy-process/article_e6b6a3f4-6027-11eb-af4c-e796e78d7a4c.html

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\$832 Million in Attorney Fees for Puerto Rico Bankruptcy Process

51.9 percent for the FOMB; 32.4 percent for the central government

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Four years after Puerto Rico filed for bankruptcy under Title III of the federal Promesa law, over \$830 million in attorneys' fees have been paid and yet the island is far from putting an end to the more than \$72 billion debt-restructuring process.

Compared to the bankruptcy of Detroit, Michigan – where approximately \$175 million was spent to restructure a debt of \$20 billion in a period of 17 months – it is estimated that the restructuring in Puerto Rico could exceed \$1.4 billion and take at least six to 10 years. The island maintains the largest and most expensive municipal debt in the United States.

According to the status report on professional fees and expenses submitted to Federal Judge Laura Taylor Swain, who is overseeing the bankruptcy process, Title III attorneys have requested payments to date totaling \$831,966,663 in fees and \$26,469,358 in expenses.

The figure does not concur with that of the Congressional Budget Office, which estimated that the total cost of the debt-restructuring process would amount to \$350 million from 2017 to 2022.

Of the numbers recorded in the report, \$432.2 million corresponds to expenses of the Financial Oversight and Management Board (FOMB); \$269.9 million to the central government; \$132.8 million to the Committee of Unsecured Creditors; \$20.7 million to the restructuring process of the Sales Tax Financing Corp. (Cofina by its Spanish acronym) and \$2.7 million to the mediation team.

In the opinion of analyst and bankruptcy lawyer Rolando Emmanuelli, the legal fees will continue to increase, since “the bulk of the restructuring has not yet been litigated.” To date, the board has not been able to submit the Plan of Adjustment for the constitutional debt, which is the largest in the government. Restructuring the \$9 billion debt of the Puerto Rico Electric Power Authority (Prepa) also remains on hold, as the agreement reached with creditors has not been legally approved.

“These costs do not include the most important litigation. Now comes the big litigation for the debt adjustment plans of the central government and Prepa. The government and the board hired the most expensive law firms on the market, at \$700 an hour. This is preposterous,” Emmanuelli said.’

For his part, the executive director of the Financial Advisory Authority and Fiscal Agency, Omar Marrero admitted that the amount in legal fees is “extremely high,” but stressed that the process has resulted in million-dollar savings to the government, since it has allowed the restructuring of Cofina; that of the Government Development Bank, which no longer exists; and part of the obligations of the Puerto Rico Aqueduct and Sewer Authority.

“We are talking about the largest and most complex bankruptcy in the United States. There are over 30 credits that are being restructured and over \$100,000 billion when we take into account pension [obligations]. Although I am not happy to admit that so much has been spent, in these processes we must have the best lawyers,” the official added.

FOMB Responds

The FOMB concurred with Marrero in justifying the legal expenses. In a statement, the Oversight Board said:

“The expenses incurred in Puerto Rico’s process to emerge from bankruptcy are substantial but unavoidable to reduce its debt burden. Puerto Rico’s debt is large, unsustainable and extraordinarily complex. The restructuring is occurring under an orderly, judicious and equitable bankruptcy process that already yielded, and will continue to yield significant savings for the people of Puerto Rico.

“Puerto Rico’s about \$130 billion bankruptcy is the largest in municipal bond history, exacerbated by economic decline, recession, significant outmigration and natural disasters. The debt was issued by more than a dozen public entities. More than 165,000 creditors have filed proofs of claim.

The legal expenses incurred are a fraction of the savings that have been achieved and will be achieved in the future through a substantial reduction of debt service payments. The expenses incurred so far are less than 1 percent of the savings the Oversight Board generated for the people of Puerto Rico through completed debt restructurings.”

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